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CHAL 9972
Copy __ of ___

27 MAY 1960

MEMORANDUM FOR: Chief, Administrative Branch, DPD
Chief, Development Branch, DPD
Chief, Materiel Branch, DPD
Chief, Operations Branch, DPD

SUBJECT: Implementation of CHALICE Reorganization

REFERENCE:
A. Memorandum to DD/P from AC/DPD, subject: Proposed Reorganization for Project CHALICE, dated 23 May 1960 (CHAL 9977)
B. Memorandum to AC/DPD from DD/P, subject: Proposed Reorganization for Project CHALICE, dated 24 May 1960 (CHAL 9997)

1. The Deputy Director (Plans), in reference B, has approved the reorganization of CHALICE as proposed in reference A, with some reservations. It is most desirable that planning to implement the reorganization be commenced as soon as possible. Responsibilities for preparation of the various elements of this plan are as listed in paragraph 2. below, along with a suspense date for each item. These suspense dates must be met in order that phasing of the reorganization can proceed in an orderly fashion. For this reason plans should be expedited but actions, especially those involving movement of personnel and expenditure of funds, must be carefully considered so as to avoid unnecessary moves or expenditure of funds.

2. ASSIGNMENT OF RESPONSIBILITIES:

a. OPERATIONS BRANCH:

(1) Vulnerability Study - Suspense: 15 June

(2) Hypothetical Profile to attempt to determine failure of 4154. Suspense: 10 June

(3) Revision of Operations Policy Letter #6 - Suspense: 15 June

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b. DEVELOPMENT BRANCH:

(1) Technical and Cost Studies - Suspense: 3 June

25X1A (a) Modification of [redacted] additional U-2's to J-75 configeration.

25X1A (b) Modification of [redacted] U-2Cs for air refueling.

25X1A (c) Modification of [redacted] U-2Cs for carrier operation. (Should include costs of pilot training and/or recruitment).

25X1A (d) Modification of [redacted]

c. ADMINISTRATIVE BRANCH:

(1) Freeze Base "C" Personnel - Suspense: ASAP Persons scheduled for return should proceed normally. Those to go should be delayed and alternate assignments considered. Exception - 25X1A [redacted] should proceed on schedule but in a TDY status.

(2) Reduction of [redacted] Strength from 16 to 10 - Suspense: 25X1A ASAP but identities of those for release should be available by 1 July. Release should be based on:

(a) Unwillingness to continue overflights - immediate release.

(b) Security opinion that the individuals knowledge of past CHALICE operations and especially knowledge of any follow-on vehicle is such that his capture would be unacceptably detrimental to U. S. interests. A list of questions to be asked should be prepared by 3 June, covering the above subjects. Questions should be asked under record of a polygraph. A team from Headquarters should conduct this examination. Final decision for 25X1A [redacted] retention will be made at Headquarters.

(3) Prepare Tables of Organization - Suspense: 15 June for

25X1A (a) Base "B" for operating four [redacted]

25X1A (b) 21 Base (Edwards North) for operating three [redacted] with 2 base staging capability.

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(4) Personnel Phase-Out Plans for Base "C" - Suspense: 15 June This should be timed to a final close-out by 1 September. It is imperative that the gradual phase-out of "C" personnel and equipment is done in such a manner so as to not draw attention to this fact. However, one U-2 should remain as long as possible with sufficient personnel to support an occasional flight.

(5) Readjustment of Personnel and Facilities at Edwards North Base to accommodate the proposed Operational Unit - Suspense: 15 June This should include necessary shifting of personnel to accommodate the Operational Unit.

(6) Cover Story Recommendations - Suspense: 15 June for following:

(a) Continuance of Base "B".

(b) Phase-out period and final closing of Base "C".

(c) Establishment of Edwards North as an Operational Unit.

d. MATERIEL BRANCH:

(1) Plan for Materiel and Facilities Phase-Out at Base "C" - Suspense: 15 June This should be timed to final close-out by 1 September. It should be as gradual as possible and done in such a manner so as to not draw attention to this fact. One U-2 should remain as long as possible. Support only required to fly the one U-2 occasionally and not to include camera or ELINT capability.

(2) Plan for Buildup of Facilities and Support Equipment at Edwards - Suspense: 15 June

3. In preparing the above plans, all Branches should include estimated costs for those items which cannot be covered in existing budget categories. A meeting will be called on approximately 15 June at which time all Branches should be prepared to discuss their assigned tasks in detail.

4. It is imperative that information concerning the planned phase-out of Base "C" be held down as much as possible so as to avoid giving the impression that the Unit is being withdrawn under pressure of the May Day incident.

[redacted]

25X1A

FOR WILLIAM BURKE
Colonel USAF
Acting Chief, DPD-DD/P

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DPD/OPS/[redacted] (27 May 1960) 25X1A

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